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RUEHSG/AMEMBASSY SANTIAGO 1599
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC
RUMIAAA/CDR USCINCSO MIAMI FL

C O N F I D E N T I A L LIMA 003636

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E.O. 12958: DECL: 11/14/2016
TAGS: [PGOV](#) [PREL](#) [PINR](#) [PHUM](#) [VE](#) [PE](#)
SUBJECT: GOP INTENDS TO ACT AGAINST VENEZUELAN MEDDLING

REF: A. LIMA 2000
[1](#)B. LIMA 2236
[1](#)C. LIMA 2490

Classified By: Ambassador P. Michael McKinley for Reasons 1.4 (c,d)

[1](#)1. (C) Summary: Government officials, including President Garcia, have persistently expressed concern about Venezuelan meddling in Peru's affairs. Many believe that so-called "ALBA Houses," the subject of considerable if somewhat confused discussion here, are centers for Bolivarian agitation. Some officials have stated that the government should close down these centers, and Congress has begun a formal investigation by convoking ALBA member country representatives to explain their activities. In response, the Venezuelan and Cuban Ambassadors have said their public outreach and good works in Peru would continue, and presented detailed descriptions of how ALBA worked inside Peru. President Garcia has emphasized that his government must show concrete results in order to deflate Peru's latent radicalism, but he also believes he must confront its political sources, including Venezuelan meddling. In his October meeting with Defense Secretary Gates, Garcia said the GOP would act soon. End Summary.

Concerns about Venezuelan Activities

[1](#)2. (C) Since taking power over 15 months ago, government officials have persistently expressed concern, both publicly and privately, about Venezuelan meddling in Peru's affairs. According to government sources, Venezuela's activities in Peru are a top priority for Peruvian intelligence services. In his October meeting with Defense Secretary Gates, President Garcia detailed the threat that Venezuelan meddling posed to Peruvian democracy, and foreshadowed a government plan to crack down on this activity. In a November meeting with ONDCP Director Walters (septel), Garcia said Venezuela was using the cocalero movement to political ends within Peru. Prime Minister del Castillo, in a recent speech, reiterated that a "dark and political" hand was behind social protests, and hinted that Venezuelan money -- funneled through Bolivarian Alternative for the Americas (ALBA) Centers -- had funded the demonstrations.

Confusion About ALBA

[1](#)3. (C) The existence of ALBA centers in Peru has generated great debate and considerable confusion here, some of this in spite of (or thanks to) Venezuelan explanations. One recent

summary, which emerged out of a Venezuelan Embassy public seminar called "Building the ALBA," explained that President Hugo Chavez's proposal sought to: strengthen regional integration; attack poverty and inequality; and establish stability by means of peace, justice, brotherhood and equality. The detailed but somewhat airy presentation revealed that the ALBA was a treaty signed by Venezuela, Cuba, Nicaragua and Bolivia. It further claimed that because Peru was not (yet) a signatory to the agreement no "ALBA houses" per se -- only informal groups that agree with the political vision -- had been opened in the country. In addition, it described the role of various Venezuelan organizations -- including small businesses, government agencies, and public-private foundations -- in building the ALBA network and achieving Latin American integration and unity. (We will e-mail scanned notes from the presentation to WHA/AND Peru desk officer).

ALBA Houses as Centers of Radical Agitation

¶4. (C) Many observers are convinced that ALBA Houses, formal or not, are essentially centers for Bolivarian agitation in Peru. First Vice President of the Congress, Aldo Estrado, recently told poloff that in his home district of Puno, the ALBA house had given "millions" to social groups fomenting racial conflict. Other sources indicated that Venezuela provided \$10,000 for the September cocalero conference in Trujillo in which new leadership sympathetic to the BRV and to opposition leader Ollanta Humala was elected (ref). In October, press accounts summarized GOP intelligence reports to the effect that Venezuela was opening ALBA centers in and around areas of Sendero Luminoso activity to reinforce radical political movements. Separate reports claimed that a E Peruvian NGO called the Lambayeque Defense Front had solicited financial support from Venezuelan Embassy official Virly Torres to open 37 more ALBA centers (in addition to the indeterminate number already in existence). Independent labor leader Aldolfo Lanzo told poloffs recently that Venezuela had funded the November 8 protests of left-wing unions.

Close Down ALBA Houses

¶5. (C) Some political insiders have suggested that public criticism of the ALBA by senior government officials was intended to prepare the ground for curtailing suspected BRV involvement in Peru's social unrest. Defense Minister Wagner recently stated that ALBA houses (or other ALBA-related activities) should be closed, if reports of Venezuela's support for social protests or anti-systemic opposition groups in Peru were confirmed. Congress's Foreign Affairs committee has opened a formal investigation into the financing, structure, and goals of the ALBA houses, and invited the Ambassadors of ALBA member states to explain the organization's purpose and activities in Peru. Congress's Defense Committee has reportedly begun hearings on Venezuelan financing of ALBA centers, and has asked the director of National Intelligence for a briefing on Caracas' connection to radical groups in Peru.

The Bolivarian Response

¶6. (SBU) In response, Venezuela's Ambassador to Peru, Armando Laguna, denied that his government provided funding for ALBA centers -- which he described as "friendship houses" that foster Bolivarian solidarity and oppose free trade agreements -- and invited the GOP to join the treaty. He also defended his country's right to continue its public outreach activities, particularly to Peru's youth and marginalized populations. Likewise, Cuba's Ambassador has denied supplying direct support to the centers while insisting that his government has the right to offer scholarships for poor students to study medicine in Cuba. Nicaraguan Ambassador Tomas Borge said he would speak before Peru's Congress but only to explain the grand designs of the ALBA not to respond to any interrogation. Peruvian Nationalist Party (PNP) leader and former Presidential

candidate Ollanta Humala said criticisms of ALBA reflected outdated cold war thinking, and claimed the ALBA centers could help foster social development in Peru.

Comment: Show Concrete Results and Confront Radicalism

17. (C) President Garcia has repeatedly emphasized that his government must show concrete results in order to deflate latent radicalism in Peru. This means producing palpable progress in the daily lives of all Peruvians, especially the poor. In Garcia's view, to ensure Peru's long-term stability and broadening prosperity, the government must also confront the principal political and ideological sources of populist radicalism, whose proponents he believes seek systematically to undermine the government's success. This means dealing with Venezuela's meddling. In his October meeting with Defense Secretary Gtes, President Garcia said the GOP would act soon on the political, legislative and security fronts to limit Venezuela's intervention in Peru's affairs. He requested indirect U.S. support for such action. Following that meeting, government Ministers publicly called attention to the issue and highlighted the government's intention to take appropriate action.

MCKINLEY